Share of duties and taxes in retail selling price of Diesel

Rs./litre

s. No.	Particulars	Delhi
1	Price without Customs Duty, Excise Duty and Sales tax components	18.42
2.1	Custom Duty @10% included in RTP) based on RTPs applicable for 1st fortnight of July '05	1.94 (7%)
2.2	Excise Duty (levied @8% + Rs. 3.25/litre plus 2% education cess thereon)	4.93 (17%)
2.3	Sales Tax (incl. Irrecoverable taxes)	3.16 (11%)
2.4	Total of Customs Duty, Excise Duty and Sales tax components	10.03 (35%)
3	Retail Selling Price at Delhi (1+2.4)	28.45

*Figures in brackets give the components of customs duty, excise duty and sales tax as a% of S. No. 3.

IOC's Business Strategies

t182. DR. CHHATTRAPAL SINGH LODHA: PROF. R.B.S. VARMA:

Will the Minister of PETROLEUM AND NATURAL GAS be pleased to state:

(a) whether it is a fact that Indian Oil Corporation is formulating a plan to boost its business;'

(b) if so, the details thereof;

(c) the status of the business of Indian Oil corporation at present;

(d) whether any target has been fixed to boost the business by the company; and

(e) if so, the details thereof?

†Original notice of the question was received in Hindi.

THE MINISTER OF PETROLEUM AND NATURAL GAS (SHRI MANI SHANKAR AIYAR): (a) to (c) Indian Oil Corporation Limited (IOC) carry out the Annual Plan and Five Year Plan exercises in consultation with the Planning Commission for Project Planning & Facilities Planning. Further, as a Navaratna company, they regularly review their business plans. IOC recorded a turnover of Rs. 1,50,667 crore (around US $ 34.44 billion) during 2004-05. IOC have drawn up plans to become a S $ 60 billion company by 2011-12. The plan includes capability building in its core business as well as petrochemicals, gas, E&P, downstream marketing activities overseas, etc. It is envisaged that the revenue from core business would be around 80% and balance from other business by 2011-12.

Restructuring of Excise Duties on Petroleum Products

183. SHRI DATTA MEGHE: Will the Minister of PETROLEUM AND NATURAL GAS be pleased to state:

(a) whether the Parliamentary Standing Committee on Petroleum and Natural Gas has called upon the Government to restructure the excise duties on the petroleum products to neutralize the impact of the soaring international crude prices on the oil market companies;

(b) if so, the details thereof;

(c) whether his Ministry has taken up the matter seriously with the Ministry of Finance; and

(d) if so, the reaction of the Ministry of Finance thereto?

THE MINISTER OF PETROLEUM AND NATURAL GAS (SHRI MANI SHANKAR AIYAR): (a) and (b) Yes, Sir. The Parliamentary Standing Committee on Petroleum and Natural Gas has recommended restructuring of taxes/duties on petroleum products keeping the interests of the consumer in mind. It has *interalia* been recommended that excise duties on petroleum products should be so structured that the Budget Statement of revenue neutrality may be adhered to in letter and spirit. It has also been recommended that the Government may exercise restraint and apply the policy of prudence in taking revenues from a strategic factor like hydrocarbon, so that no extra burden is imposed on oil companies and consumers.